



## MINUTES

**CITY OF SCOTTSDALE POLICE LOCAL BOARD OF THE  
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (PSPRS)  
REGULAR MEETING  
11:00 a.m., Thursday, June 16, 2011  
Human Resources Verde Conference Room  
7575 E. Main Street  
Scottsdale, Arizona 85251**

**PRESENT:** Jack Cross, Chairman/Mayoral Designee  
Jeffrey Burg, Citizen Member  
Velicia McMillan, Citizen Member/Merit Head  
Jeffrey Walther, Elected Member (telephonic)

**ABSENT:** James Butera, Elected Member

**STAFF:** Colleen Barraza  
Ken Nemec  
Chanda Washington

**OTHER:** Police Officer John H. Karlik

### **Call to order**

Chairman Cross called the meeting to order at 11:02 a.m. He stated that the first order of business was the acknowledgement of Board Member Butera's excused absence and Board Member Walther's attendance via telephone.

### **Roll call**

A formal roll call confirmed the members present as stated above.

#### **1. Review and Approval of Meeting Minutes—May 19, 2011.**

**BOARD MEMBER WALTHER MOVED TO APPROVE THE REGULAR MEETING MINUTES OF THE MAY 19, 2011 PSPRS POLICE LOCAL BOARD MEETING AS PRESENTED. BOARD MEMBER MCMILLAN SECONDED THE MOTION, WHICH**

**CARRIED BY A VOTE OF FOUR (4) TO ZERO (0). BOARD MEMBER BUTERA WAS ABSENT.**

**2. Induction of New Scottsdale Police Officers into PSPRS.**

Mr. Nemec announced that there were no new Scottsdale Police Officers to induct into the PSPRS.

**3. Discussion and Vote on the DROP (Deferred Retirement Option Plan) Application of Police Officer Darrin Hinrichs.**

Mr. Nemec reported that Police Officer Darrin Hinrichs was approximately 44 years of age when entering into the DROP on June 4, 2011 with approximately 25 years of service. He stated that his paperwork was in order and the monthly pension check associated with this application was \$5,331.40.

**BOARD MEMBER BURG MOVED TO APPROVE THE DROP (DEFERRED RETIREMENT OPTION PLAN) APPLICATION OF POLICE OFFICER DARRIN HINRICHs EFFECTIVE JUNE 4, 2011, SUBJECT TO FINAL PAYROLL CALCULATIONS AND QUALIFIED DOMESTIC RELATIONS ORDERS. BOARD MEMBER WALTHER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF FOUR (4) TO ZERO (0). BOARD MEMBER BUTERA WAS ABSENT.**

**4. Discussion and Vote on the Application for Eligible Child Benefit completed by Karen Haney as guardian of Justin Haney, son of deceased employee and PSPRS member Paul G. Nowinski.**

Ms. Washington reported that a total of two children were allowed to be eligible for child benefits of a deceased PSPRS member. She recalled that Karen Haney as guardian of Justin Haney, son of deceased member Paul G. Nowinski, had applied for child benefits in the amount of \$328.17.

Board Member Walther inquired whether anything had change since the information staff presented to the Board at the May 19, 2011 meeting. Ms. Washington confirmed that nothing had changed and staff was just presenting Ms. Haney's application for child benefits to the Board.

Chairman Cross pointed out that the benefits would be retroactive until the original retirement date in August of 2010, since this application was being approved before the new law goes into effect. Ms. Washington stated that she confirmed with Public Safety that the retroactive date was correct.

**BOARD MEMBER MCMILLAN MOVED TO APPROVE KAREN HANEY'S APPLICATION FOR ELIGIBLE CHILD BENEFITS ON BEHALF OF JUSTIN HANEY IN THE AMOUNT OF \$328.17 RETROACTIVE FROM AUGUST 2010. BOARD MEMBER WALTHER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF FOUR (4) TO ZERO (0). BOARD MEMBER BUTERA WAS ABSENT.**

Chairman Cross suggested that the Board jump ahead to agenda item 7 in order to address agenda items 5 and 6 last.

**5. Discussion of appeal filed by Police Officer John H. Karlik concerning Board denial of his Application for Accidental Disability Retirement**

Ms. Washington reported that Police Officer John H. Karlik had presented staff with a letter of appeal for the Board to reconsider his application for an accidental disability retirement.

She explained that the Applicant had received responses to the letters he sent to his four personal physicians addressing the questions the Board had submitted to their appointed IME physician.

Ms. Washington pointed out that the worker's comp IME report which was not presented to the Board at the May 5, 2011 meeting was included in today's medical packet. This document was included in the medical records previously submitted to Columbia Medical.

Board Member Walther recalled that he voted to disapprove Police Officer Karlik's application for accidental disability retirement at the May 5, 2011 meeting, because throughout the 4,000 pages of medical documentation there was no indication from the doctors that he could not return to work. There was no conflicting medical information, and the Columbia Medical IME physician indicated that the Applicant could return to work.

Board Member Walther explained that since May 2011 the City had completed a risk assessment wherein all doctors including the IME physician had concurred that the Applicant's injuries were related to on duty activities and thereafter separated Police Officer Karlik.

He recalled reviewing the risk assessment materials, noting that the previous lack of specificity by the Applicant's doctors has now been resolved.

Board Member McMillan opined that Board Member Walther's summary of the Board's previous concerns was accurate.

In response to Board Member Burg's inquiry regarding whether the Board could consider additional medical information outside of the IME report, Chairman Cross stated that the Board could consider additional medical information whenever an IME report does not answer its concerns and questions. He stated that the Board could also request a second IME if there was any confusion or conflicting medication documentation.

Board Member Walther suggested that the Board send Police Officer Karlik for a second IME since there was now conflicting medical information. Chairman Cross stated that staff must ensure that the second IME physician receives copies of the new medical documentation in addition to the old medical records provided to the first IME physician.

Mr. Nemec reported that he had discussed the situation with the Board attorney today who agreed that the Board has three options for dealing with the appeal: 1) deny the appeal, 2) assign a second IME, or 3) schedule another hearing absent a second IME in order to sort things out with all of the physicians involved.

Chairman Cross stated that the Board could also send the new medical documentation to the original IME physician to inquire whether it would change his opinion reflected in the IME report. Board Member Burg opined that it was sometimes difficult for an IME physician to change their mind once they have provided a decision.

Chairman Cross stated that once the Board received the second IME report Police Officer Karlik could present any additional information that he has at that time.

Police Officer Karlik explained that the medical responses he presented today were from the City physician that went over his spinal fusion surgery, the City physician that was his foot doctor, his personal physician for the past 20 years, and Dr. Kelly to whom he was referred by Dr. Marciano.

Discussion ensued regarding leaving out the name of a medical organization when making the motion in order to give staff leeway in choosing the second IME physician.

Board Member Walther amended his motion to strike Columbia Medical Consultants giving staff the ability to choose a new medical organization for the appointment of a medical specialist to serve as the medical board for the Board.

**BOARD MEMBER WALTHER MOVED TO APPROVE THE ISSUANCE OF A SECOND INDEPENDENT MEDICAL EXAMINATION THROUGH A MEDICAL ORGANIZATION TO BE CHOSEN BY STAFF FOR THE APPOINTMENT OF A MEDICAL SPECIALIST TO SERVE AS THE MEDICAL BOARD FOR THE APPLICATION OF POLICE OFFICER JOHN H. KARLIK. BOARD MEMBER BURG SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF FOUR (4) TO ZERO (0). BOARD MEMBER BUTERA WAS ABSENT.**

**6. Discussion and Vote on the Accidental Disability Retirement Application of Police Officer James Powers**

Mr. Nemec recalled that on March 17, 2011 the Board tabled the discussion of Police Officer James Powers' accidental disability retirement application until staff had obtained a detailed explanation of causation from Dr. Gidel.

He stated that once Police Officer Powers supplied the requested documentation the Board authorized staff on April 21, 2011 to send the applicant for an IME through Columbia Medical Consultants.

Mr. Nemec explained that Columbia Medical Consultants had assigned the Applicant to see a physician who was later found to be tainted since he was used by the City for it workers compensation exam. Columbia Medical Consultants was thereafter unable to locate a new physician within their geographical range.

Mr. Nemec reported that a week ago staff discussed the matter with their alternate source, MCM Medical Consultants. He stated that MCM Medical Consultants just located a cardiologist that was capable and qualified to do the IME for the Board.

Board Member Burg suggested that from now on, the Board's motions should leave the name of the medical organization out in order to give staff the ability to choose the medical organization.

**BOARD MEMBER BURG MOVED TO APPROVE THE ISSUANCE OF AN INDEPENDENT MEDICAL EXAMINATION THROUGH A MEDICAL ORGANIZATION CHOSEN BY STAFF FOR THE APPOINTMENT OF A MEDICAL SPECIALIST TO SERVE AS THE MEDICAL BOARD FOR THE APPLICATION OF POLICE OFFICER JAMES POWERS. BOARD MEMBER WALTHER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF FOUR (4) TO ZERO (0). BOARD MEMBER BUTERA WAS ABSENT.**

**7. Report to the Board on Recently Completed Transfers of Prior Service Credits.**

Ms. Washington reported that Michael Reardon was redeeming .496 years of prior service with the Arizona State Retirement System by doing a rollover from his 457 account to his Public Safety account, giving him a current balance of 19.512 years of service.

**8. Discussion and Vote on recently prepared PSPRS Police Local Board 2010 Annual Report.**

Mr. Nemec summarized that in November 2010 the City Manager and the City Clerk's office requested that staff representatives of each Board and Commission prepare an annual report outlining the number of members, the amount of meetings completed, member attendance, the organization's purpose, as well as the activities accomplished during the calendar year.

He explained that 2010 Annual Report reflects some of the most important activities accomplished by this Board, such as the induction of police officers, the approval of DROP applications, and the approval of retirement applications.

Mr. Nemec noted that the annual report reflects the required information such as the numbers of meetings held, attendance, as well as the transition from Board Member Parker Diggs to Board Member McMillan. He invited the Board to approve the 2010 Annual Report so it could be posted to the City's website.

**BOARD MEMBER WALTHER MOVED TO APPROVE THE 2010 ANNUAL REPORT OF THE PSPRS POLICE LOCAL BOARD AS PRESENTED. BOARD MEMBER BURG SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF FOUR (4) TO ZERO (0). BOARD MEMBER BUTERA WAS ABSENT.**

Chairman Cross directed that the Board to go back up to agenda item 5, noting that Police Officer John H. Karlik was attending today's meeting.

**CLOSED PUBLIC HEARING**

**9. Motion to Recess into Executive Session.**

Chairman Cross deemed it unnecessary to recess into Executive Session.

**RECONVENE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM MEETING  
FOLLOWING EXECUTIVE SESSION**

**10. Board Suggestions for Upcoming Agenda Items**

Chairman Cross confirmed that there were no suggestions for upcoming agenda items.

**ADJOURNMENT:**

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 11:24 a.m.

Respectfully Submitted by:

REVIEWED BY:

Ken Nemec  
PSPRS Police Local Board Secretary

Jack Cross  
PSPRS Chairman/Mayoral Designee